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With the Non-Governmental Organizations

9-63 REDISCOVERING A SENSE OF ADVENTURE

Address by Mr. Paul Gérin-Lajoie
President, Canadian International Development Agency
to the Annual Meeting of the
Canadian Council for International Co-operation

Chateau Laurier
Ottawa

June 9, 1972 ||



This annual meeting of the Canadian Council for International Co-operation offers an opportunity that I accept with the greatest of interest since it allows me to outline, for the representatives of the non-governmental organizations, some of the major principles upon which the Canadian International Development Agency hopes to develop its present and future relations with non-governmental organizations engaged in various ways in cooperation for international development.

I wish to stress, by way of preamble and as a basis for the faith CIDA has in the non-governmental organizations, the keen recognition by the government, and particularly by CIDA, of the many initiatives of the private sector in the field of development. This recognition should be seen as the basis for the broad outlines I wish to discuss with you.

Private organizations are the means through which people everywhere express their human solidarity. They are the very cornerstone of society. By involving themselves at the grass-roots level in developing countries such organizations, despite a lack of resources, have always shown a steadfast determination to advance the cause of cooperation among peoples. Private bodies have also been the first to tackle the specific problem of sensitizing the public to international cooperation. To private organizations, then, must go the credit for having created an awareness among certain segments of the Canadian population even before the idea of "awareness" became a popular concept.

An understanding presence in the developing countries and public education in Canada are thus the essential basis for all further action by non-governmental organizations.

CIDA has recognized the important role played by the non-governmental organizations, first by creating the Non-Governmental Organizations Division in 1968, and then by substantially increasing the sums allocated to this sector of its activities. From 1968 to 1972 the budget for the Division increased by 300 per cent (from \$4.1 million to \$16.5 million) while the

Agency's general budget increased by 70 per cent (from \$288 million to \$491 million). The allocation of funds is probably the most tangible way the government can indicate its confidence and recognize the role played by a certain sector of society.

Since the Non-Governmental Organizations Division has been in operation for four years, it is now essential to draw an outline of its achievements and failures, and, more important, to make some predictions as to a future course of action. In view of certain problems and questions raised by the non-governmental organizations, it is also becoming urgent for them to make a new start and renew their action.

First, some questions that concern us all:

1. Should CIDA no longer require the private organizations to contribute 50 per cent toward financing NGO projects, or would this involve the risk of too great a dependence on the government?
2. How many NGO projects - whether or not supported by CIDA - are innovative, meet actual needs, and are an expression of the milieu itself, rather than an occidental perception of it?
3. How many private agencies (and the question also pertains to the NGO Division in CIDA) have succeeded in adapting their operations to the new objectives emerging with increasing clarity from the experience of the first development decade?
4. How many non-governmental organizations have undertaken a detailed and critical evaluation of their achievements during recent years, to the extent of identifying what are readily called "white elephants" in reference to the projects of some organizations?
5. After six years of discussion and intentions, where do we stand on the road of cooperation and collaboration, not to mention real coordination between the non-governmental organizations?
6. In our programs in CIDA, should we keep the activity of the NGOs separate from our bilateral programs, or should we initiate joint action between them?

These questions, as well as several others, are not always discussed in public but we do ponder over them. I have no intention of trying to give you answers to these questions today; I have presented this enumeration only to show that it is important to analyze our action in order to give it a new start.

Having in mind the achievements of the NGOs and a few of the problems mentioned, I believe that the past twelve months represent a turning point and offer us the beginning of an awakening. If we could detect the parts of the puzzle which we already have, perhaps we could then define the new challenges ahead of us. Let me now take a look at the actions of the voluntary organizations during this period and also at the activities of CIDA.

First of all, the private organizations have achieved two goals which had been theirs for some time. Coordination can only be done through action, not through simple academic discussion, and the voluntary regrouping - in collaboration with CIDA - to engage in a common action for Bangladesh is a first example of this. The "Combined Appeal for Pakistani Relief" (CAPR) has united eight organizations which have collected, in a common front, \$2.5 million, a total sum which could not have been reached by eight different and parallel campaigns. In the same fashion, the regrouping of 18 organizations interested in development education programs has led to the creation, through the Canadian Council for International Cooperation, of the Development Education Animation Program (DEAP).

The second achievement was in reaching new segments of the Canadian population, to make them aware of and have them participate in the great venture of international cooperation.

As far as CIDA is concerned, it has answered the call of the United Nations and complemented the initiatives of Canadian private organizations by giving support, especially a financial one, to these initiatives. The DD2 program, for the second development decade, is well known in the NGO group.

And now the future!

To pursue this innovative trend, CIDA is engaging in two new kinds of projects. On the one hand, we wish to write off "aid" in its paternalistic sense and begin resolutely an authentic cooperation program.

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To achieve this we will take special interest in projects involving exchange or two-way communications between Canadian organizations or groups and their counterparts in the developing countries. I am speaking of something more than mere "twinning" or exchange trips.

We must integrate in these activities many aspects of learning, communication and awareness, and they must include some process through which results will be produced in Canada as well as in developing countries. This goal can only be achieved through cooperation and the will of the private organizations to create reciprocal ties with the citizens of these countries.

On the other hand, we have become increasingly concerned that most of the projects are conceived in Canada rather than in the developing countries. This concern has also been expressed by some non-governmental organizations in Canada and by many people in the developing countries themselves. Our experience has shown further that some of the most valuable projects implemented in the past were conceived by, and based on, indigenous initiative. In our view, our program could gain immeasurably if we could learn more fully the ideas of the people themselves on their development problems.

In order to involve the developing countries more directly, as much in the shaping as in the implementation of NGO development projects, we intend to participate in the organization of development workshops in the developing countries. We will start with three of them on an experimental basis in the coming months: one in Asia, another in Africa and the third in Latin America. The main purpose of these workshops will be to bring together a majority of nationals from the developing countries along with a few representatives from Canadian NGOs, as well as Canadians working in the field, to discuss past and present NGO activities and to explore new orientations and new forms of action for the future.

This project is in its early conceptual stage and we will proceed immediately with extensive consultations, both in Canada and abroad, to determine the best ways to achieve the objective. I hardly need to say that I look forward to the fullest cooperation of Canadian NGOs in this venture, and particularly that of the CCIC.

At a time when the NGO sector is one of the fastest growing elements in the CIDA program, it becomes highly important to invent instruments in program development and new forms of rational utilization of funds. As a natural evolution of CIDA's non-governmental programs, and in an effort to make them more effective, these development workshops should, in a significant manner, contribute to ensure that the NGO program will continue to be relevant and to be based on actual needs.

I have already mentioned that while working towards the development of a long-term plan and while wondering about the development value of the NGO programs we already support, CIDA is trying to find and establish innovative formulas. In this respect, let me speak for a few moments of CIDA's work in relation to Bangladesh.

If there is one place in the world where innovative formulas should be applied it is indeed that country, which is living through the practically indescribable situation which we all know of up to a certain point. I insisted on going myself to Bangladesh, with a number of colleagues from CIDA, to show the will and determination of Canada to provide the most efficient cooperation, and also to identify at the same time the exact forms which this Canadian cooperation could take without waiting for the establishment of long-term plans.

Of course the NGO Division in CIDA has played a definite role in this Canadian action. At my request, one member of this division has recently spent three weeks in Bangladesh to survey the situation, examining more particularly the possible role of the NGOs.

One of the most interesting projects which came out of this mission is that presented by an association of cooperatives of Bangladesh. It is a program of wide-scale popular training in rural areas for tens of thousands of citizens - fishermen and farmers as well as craftsmen. This is the kind of project which falls precisely in line with our present preoccupations because of its innovative quality, its social aspects, the great number of people it can reach, and especially because a private organization of that country proposed it and will be responsible for its implementation.

In conclusion, I shall attempt to outline a few of the principles which I hope will govern CIDA's future relations with the non-governmental organizations.

First of all, imagination, a spirit of research and experimentation should lead us to discover new formulas of cooperation between CIDA and the NGOs, as well as among private organizations themselves.

Secondly, we shall help the Canadian private organizations to contact the corresponding groups in developing countries and to ensure that they participate in the elaboration as well as the implementation of projects.

Thirdly, we hope that the non-governmental organizations will undertake research and explore these new formulas within their own structures. We encourage them to start this reflection and to determine the directions and substance of their programs for the coming years.

Fourthly, the NGO Division in CIDA will take a careful look at its own activities, ascertain its long-term outlook, and establish its orientations and programs for the next five years.

We are all aware that international development cannot be brought about solely by the financial participation of the industrialized countries in development programs. We all know that providing funds is not the whole answer to complex problems facing societies everywhere. We realize that trade, and the rules and practices governing international commerce, often place some countries in a disadvantageous position. This being said, development programs involving both a financial contribution and the exchange of services remain indispensable and can create a major impact, particularly if we consider the directly social aspect of development.

The non-governmental organizations remind us of one essential reality: we must pursue with determination a long and arduous enterprise even though its results may not appear immediately. It is this determination which I hope to see growing within your ranks, so that you may renew your action in an even more human and cooperative way.

I therefore invite you to discover in your development activities a profound sense of adventure - that adventure defined by the dictionary as "a group of activities or experiences which involve risk and novelty and to which a certain human value is attached".

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"CIDA IN A CHANGING GOVERNMENT ORGANIZATION"

Paper delivered by Mr. Paul Gérin-Lajoie, President, Canadian International Development Agency, to the Institute of Public Administration Conference in Regina, on September 8th 1971.



For further information, please contact:

Information Division,
Canadian International Development Agency,
Ottawa, Canada
K1A 0G4

Pour plus d'information adressez-vous à:

Direction de l'information,
Agence canadienne de développement international,
Ottawa, Canada
K1A 0G4

"CIDA IN A CHANGING GOVERNMENT ORGANIZATION"

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Change is very much in the air, and on the lips of speakers, today. After listening this morning to papers on "The Changing role of the Privy Council Office and the Prime Minister's Office", I am in good company when I begin to tackle the topic of "CIDA in a changing government organization".

Perhaps because the Canadian International Development Agency seems to be in a constant state of change, it may be a department that is something of a mystery to you -- a modern version of the old Greek sea-god Proteus, who at one moment assumed the shape of an eel, the next moment had turned into an amphibian creature with four feet. (Indeed, we have four Vice-Presidents in charge of separate branches now). CIDA is probably something of a mystery to you for more than that reason. Let me suggest some other reasons:

- * It is fairly new; for the External Aid Office was only established by Order in Council in August 1960, and was transformed into the Canadian International Development Agency only in September 1968.

- * Its budget is a comparatively large one, and has been increasing year by year, even in this period of austerity, to the point where the 1971-72 appropriations for development assistance amount to \$425 million. (Why has this been happening? some of you may ask).

- * Its funds are permitted to accumulate from year to year, and only a small number of items are liable to lapse if they are not fully spent during the year of appropriation.

- * Finally, it distributes these considerable sums in about 70 countries far overseas, where not many Canadian officials from other departments travel to see how these funds are being used.

There is no doubt that CIDA does have characteristics of its own. In international terms, you will not find any historical antecedent. Its functions are quite different, say, from what was the British Colonial Office and it pre-dates Britain's Overseas Development Association. In Canadian terms, it is a slightly curious institution. For CIDA is a wholly separate department of government, although it reports to Cabinet and Parliament through the Secretary of State for External Affairs; at the same time, it has resisted the lure of flying off to become a Crown Corporation.

But we should, I suggest, examine a little more deeply this view that CIDA is "different" and possibly not in line with the work of other departments of the Canadian Government -- not really "one of the family", in fact.

My contention is that the work of CIDA is similar to what many other departments do on the domestic scene. The main burden of this paper, though, will be to bring out the difference that is enclosed within that similarity. For the difference is that CIDA (and the External Aid Office, before it) have over the years set out to tackle subjects and develop resources over a much broader range than probably any other department in the federal government or provincial governments; that, in fact, it cuts across the interests pursued in many federal departments, seeks to draw on the assistance of many other provincial departments particularly in the industrial and social fields, and also tries to attract for development overseas some of the best resources from the private sector. And, as if the complexities of that work were not enough, CIDA then has to turn itself about and deal with the whole range of executive departments, as well as policy departments such as Economic Planning and Finance, in 70 sovereign countries overseas.

You will understand that the implications behind this difference are enormous. CIDA has to face a task that is appallingly complex. It has to devise an organization which is in contact with innumerable departments overseas as well as with a great number of departments at federal and provincial levels in Canada. It has to develop a professionalism over this wide range of work that is as high as the professionalism it meets in all these contacts. And it has to produce a cohesiveness inside itself, if its role as an "exchange mechanism"

linking up these Canadian resources to the points of demand overseas is to be performed efficiently.

In brief, then, the history of the External Aid Office and CIDA has been a continuing search for greater professionalism in order to deal with an ever more complex task. It is a search which cannot really end, so long as CIDA continues. So, having made that plea for fraternal sympathy from this audience, I will now go swiftly back over the years to examine the original goals and the *raison d'être* of CIDA, and then review at the same speed the broadening scope of its work during the past few years. This should help to illustrate the growing complexities of CIDA's task, and it may also convince you that CIDA has kept the target of greater professionalism in its sights during this time.

Have the motivations of government affected the goals of CIDA?

It is well enough known, I think, that when Canada in 1950 took part in launching the Colombo Plan to help the newly independent Commonwealth nations of Asia, the prime motivation of the western nations which were partners in that Plan was political: they were concerned to counter the growth of communist influence first in Europe and then in Asia. Canada shared to some degree this political motivation at the time, but it is clear that anti-Communism is no longer a significant factor in the evolution of our development program.

Rather, there is a mixture of motivations, and more diverse political considerations share place today with philanthropic concern and economic assessments.

Politically, taking part in international cooperation through development assistance does win us some friends who might well be alienated if we spent the money instead on more defense expenditure: and it does add something to Canada's own sense of national purpose. Philanthropically, we are impelled to try to help the neediest. Economically, there are

some short-term advantages for Canadian exporting firms, because about half the funds of our development program are still tied to the purchase of Canadian goods and services; and in the long term, the prosperity of Canada as a trading nation will depend in part upon the strengthened power of these 70 least favored countries to trade with us.

This mixture of motivations might appear to add confusion when we have to set our goals and objectives. For instance, in helping the neediest one is almost certainly moving away from a direct concentration upon sectors where the quickest yield (in terms of economic development) might take place. This question, of how to balance clearcut growth with the broader wellbeing of a society, haunts every planner today -- whether he works for and plans the programs of the World Bank, of CIDA, or of domestic Canadian departments such as Regional Economic Expansion or Indian Affairs. It is perhaps sufficient to say that, in a time of high unemployment in many parts of the world, it is surely right to pay a little less regard to the narrow indices of GNP growth, a little more regard to the task of directly providing the chance of jobs and other aspects of wellbeing for as many individuals as possible in society.

These examples illustrate the balance which CIDA has to find inside its programs. But the essential goal has not altered since the time when the Colombo Plan was launched. This has always been to help improve the wellbeing of the people of less favored countries and provide the economic underpinnings for their political independence. Other countries such as the United States and the old colonial powers as well as the socialist states, may have had strong motivations that led them off on a divergent course to a different goal in their relations with some countries. But, for Canada, this goal has been a universal and a consistent one: we want to provide the economy of these countries with the underpinnings to support their political independence, and we want to help better the way of life of the whole population in these countries.

That is simply stated. But it is, I must repeat, a dauntingly complex task.

The broadening scope of bilateral development assistance

The CIDA program of international cooperation has greatly broadened its scope during recent years, in an effort to meet the goal of helping improve the wellbeing of a total society.

Much of the early part of Canada's development program was connected with large capital projects, such as the Warsak Dam in West Pakistan, where the object was simply to build an infrastructure for economic growth; and much else was in the form of sending teachers abroad, or bringing trainees to Canada.

Today the program has spread far beyond these early forms of assistance. To take the example of Canadian commodity aid: at the outset, it consisted of the most basic of all commodities, food mainly in the form of wheat and flour. This is certainly still an important part of the program, but many other commodities have been added: raw materials and minerals to fuel the new industries of Asia, fertilizers to help these countries take full advantage of the "green revolution". We are also arranging lines of credit, so that these nations can buy a wide range of materials and equipment from Canada. All this is a logical extension of a concentration on the objective of economic growth, but in other ways CIDA is making changes in an attempt to give substance to its wider concern for the development of a total society.

It is moving away from the construction and staffing of large hospitals, into work through outpatient clinics and public health training which can reach thousands more people in need of health care. It is tackling integrated projects, such as the development of the Kairouan region of Tunisia where the problems range from soil erosion to rapid population growth. It is trying, through an increase in scholarships for "third country training", to hold back the brain drain and ensure that the best trained people remain in their own area to help the development of their own society.

I should emphasize that CIDA is not striving to do all these things by itself -- that would clearly be an impossible job for our staff -- but is trying to mobilize resources from as many parts and corners of Canada as possible, through other federal departments and through the provinces, from the universities and from other parts of the private sector.

How much wider will the scope of Canadian development assistance go in the coming years? Already, under the dispensation announced in the Foreign Policy Review booklet, CIDA is moving into the area of financing projects which have a heavy proportion of local costs. Without this dispensation, we could not undertake projects which were often of the greatest importance for hundreds of thousands of people -- such as a large new water supply system for the citizens of Dar-es-Salaam. Nor could we contribute, except indirectly, to what is being seen as a major task of the 1970s -- the rapid creation of new jobs for millions of school-leavers. Now, through the dispensation that allows CIDA to offer 20 percent of the bilateral assistance funds on completely untied terms, we are able to contribute in a significant way to the creation of jobs through local cost financing and through encouraging purchases of materials for development projects from neighboring countries of that region.

We have also started to help the less favored countries with their export marketing problems, so that they may take proper advantages of the Generalized Scheme of Preferences which was agreed upon a year ago. We have begun to encourage, through subsidies for starter surveys and feasibility studies, the medium-sized Canadian firms to put investment and technical know-how into the poorer countries. We are beginning to build up expertise within CIDA on the question of trade trends and policies, since the maintenance of stable prices for their main export products is often of much greater concern for a country like Ceylon or Ghana than the volume of development assistance it may expect. It would be blind of CIDA to neglect this area, since the small good done by the transfer of development funds can all too easily be wiped out by a swift drop in primary prices.

The means to assure a steady source of foreign exchange to these countries may need to be found by other methods than extending commodity aid and lines of credit, and working hard for price agreements. It may require new forms of arrangement to guarantee a transfer of resources; this is why CIDA, together with other government departments, is starting to study the implications of a possible "link" between Special Drawing Rights and development assistance.

Multilateral and non-governmental assistance

CIDA has broadened its scope in two other important directions. First, in parallel with Canada's greatly increased contributions to multilateral organizations -- whether they be the International Development Association or the regional development banks -- CIDA has increased its expertise and its exertion of influence over the policies of these organizations. This, again, is only logical, that we should wish to see changes similar to those that were necessary in our own national, bilateral program being also taken up at the international, multilateral level. I think that the work done by officers of CIDA's Multilateral Division, for example, in pressing the reforms proposed for the United Nations development system by Sir Robert Jackson, or in leading opinion towards the launching of a Special Fund by the African Development Bank, is clear evidence of Canada's growing influence over policies of multilateral assistance.

Secondly, and at the other end of the spectrum, the Non-Governmental Organizations Division is becoming year by year a more important wing of CIDA. The NGO Division, by entering into partnership with Canadian voluntary agencies, professional organizations, trade unions and community groups, is doing two crucial things. It is amplifying the concern voiced by these groups of the Canadian public to help the development of peoples in the less favored countries; and it is not only involving the Canadian public more effectively by providing "matching funds" for projects overseas and by stimulating concern at home, but it is also using the network of grassroot contacts which these agencies have in many countries to emphasize social development in a way which other CIDA programs cannot so easily explore.

Comparisons with domestic Canadian programs

In describing the broadened scope of CIDA activities, I may have appeared to paint a picture where the paint is splashing off the edges in all directions. But I trust you do not think the activities are as directionless as that. There is a very clear aim; which is, to help the less favored countries reach the point of being able to organize their own development.

At this stage, after describing the distinctive features of CIDA, I should pose the question of whether or not the aims and activities of the Agency are so very different from those determined upon by other departments of the Canadian Government. In many spheres there are no differences beyond the fact that CIDA straddles the work of many departments and carries out its activities in the international rather than domestic area. Comparisons between CIDA and the Department for Regional Economic Expansion are obvious; so are comparisons with Indian Affairs and Northern Development. CIDA tries, in the international sphere, to do some of the work undertaken domestically by National Health and Welfare, whether it is the encouragement of family planning or the establishment in remote places of medical facilities. Again, in its work of recruiting educational experts from virtually all levels, CIDA has to keep closely abreast of changing ideas and new approaches to education which are being developed in different provinces, so that it may offer to the less favored countries the latest as well as the best of an exciting range of new thinking and new methods now being tested among the provinces of Canada.

To return, then, to the underlying theme of this paper, all these activities of CIDA demand -- and, I trust, are stimulating to an increasing degree -- a wide-ranging professionalism among the Agency's staff. Quality, rather than numbers of technical advisers or simple volume of aid, is what must most distinguish the work of CIDA.

The voice of the less favored countries

There is an even greater distinction to be drawn. CIDA is different from all other government departments in one outstanding respect. It is the single representative which the less favored countries have in Canadian Government councils, the single voice of clear support on which they should be able to count from the outset. This is not to say that CIDA will act against Canadian national interests, nor that other departments will fail to take up at some stage the case for these other countries. There need not be any conflict of interests, nor any assumption that two poles have been set out -- with CIDA drawn to one pole, other government departments to the other -- whose pulls of magnetism may prevent any convergence of interests. All the same, CIDA does have a

special responsibility and role. Unlike any other department, it does not start from the springboard of representing ~~certain~~ interests abroad, -- that is, the interests of the world's poorest people -- back to Canada. Of course, if the job is well done, CIDA ends up by being a good representative -- the best kind of representative -- of Canada's true interests abroad.

It comes to this position by a clear path. In working out how Canadian resources (or, to speak of our multilateral work, the resources of all industrialized countries) can help the development of the poorer countries, CIDA has obviously to study the needs of these countries -- and to study these needs through the eyes and perspective of their governments and peoples. Whatever preconceived ideas we or others in Canada may have about the developmental needs of these countries, our ideas must be reshaped to fit the plans articulated by these countries if our cooperation is to be suitable and welcome. So therefore it follows that, in our role as a bridge in this work of international cooperation or as an exchange mechanism in matching Canadian resources with these countries' expressed needs, CIDA has to relay back to Canada the most accurate and sensitive reports possible of what these countries see as their major concerns and national interests. It is, as I have suggested, a task of trying to match resources in the detailed work of development assistance; while, in the broader field of representing back to Canada their major concerns, it is a parallel task of pointing out a convergence of national interests.

But how is this convergence of interests to take place? The answer has been found in that time-honored device, the establishment of interdepartmental boards, and committees and sub-committees. The most important such group is the International Development Board, which for 11 years has had the task of keeping the program of international cooperation under review to ensure coordination between departments on regular plans and new initiatives, and to promote a speedy response to emergencies. This senior body, mainly of deputy ministers, ranges from the Governor of the Bank of Canada to the President of the International Development Research Centre. It is a modern Group of Seven, who have the

job of making sure that the landscape they cover is a harmonious one. The CIDA Committee, an offspring of the Board, and the Committee's own two progeny -- sub-committees that are concerned with bilateral and multilateral assistance respectively -- comprise other senior officials who work upon the harmonizing of policies and action in more detail.

There is, I have noticed, an openness of approach on these interdepartmental groups which makes the business of producing a convergence of interests an easier task. The fact that attitudes expressed by different departments are not always predictable -- and, even when predictable, do occasionally become modified in debate -- is the foundation of this open approach. Anyone who has been involved in the task of reconciling domestic objectives and international development objectives in these committees will bear witness to this flow (and counterflow) of opinions.

Again, the task of concerting plans and policies, so that there is no conflict between domestic and overseas activities, prompts all parts of government to deal with development in a global way; it brings home the realisation that we and all other societies are facing similar problems. To take one example, there was at the time a fair amount of frustration felt within sections of CIDA at the delay we experienced in gaining government authority to support population programs abroad. But I believe the discussions (however lengthy) had a beneficial outcome, since the process of coordinating policies brought home to many Canadians the fact that population growth was a problem for all countries and one in the solution of which all governments must take a part.

Trade relationships

The opening of such windows through the work of interdepartmental committees may go some stages further. Certainly the House of Commons Sub-Committee on International Development Assistance, whose report was published in June, was concerned that the compartmentalizing of assistance should be reduced to a minimum and that the needs of a developing country -- whether for technical assistance, for more equitable trading arrangements,

or for straight foreign exchange support -- should be assessed as a whole. In this ecumenical mood the Sub-Committee not only suggested that CIDA should cast off its inhibitions about pressing its view on these related matters; the Sub-Committee also gave its own views about a "link" between Special Drawing Rights on the IMF and development assistance (a matter which the Finance Department has within its province) and, more clearly yet, spent considerable space upon the question of trade relationships. To pick up only one point made in this context in the Sub-Committee's report, the suggestion is advanced that Canadian Trade Commissioners (who are, of course, trained with the aim of promoting Canadian exports) should look upon their job much more as "a two-way street" and spend perhaps as much effort in helping exporters in the less favored countries where they are posted find markets for their products in Canada.

If this suggestion is taken up, the change it represents could be part of the consolidation of a new form of diplomacy. In this new form, a diplomat will see himself as a world citizen first, a representative of his country only secondarily; he will be as concerned with the welfare of the people in the country of his current diplomatic accreditation as he will be with the welfare of his own people. I believe very sincerely that a new form of diplomacy is taking shape, and that this reshaping is in fact well advanced. The chemical agent of change, of this reshaping, has been the flow of development assistance; the fabric of this new relationship between nations is the network of organizations, international, and regional and national, which negotiates and delivers this assistance. It is a mutual relationship, and for that reason I prefer to call it international cooperation, rather than development assistance. I believe we are on the verge of recognizing that there is this new relationship between nations, which is based not on the traditional grounds of historical and diplomatic alliances, but on development links and all which that implies in terms of a deeper solidarity between peoples of the world.

Implications of this new relationship

If this new set of relationships between nations is indeed consolidated and acknowledged, there will be inevitable repercussions on the formulation of foreign policies of various nations. The roles which the representatives of nations will play may well become more delicate and more tricky, but at the same time they should be more creative; because relationships will go beyond the surface politeness which is the stock-in-trade of the oldfashioned diplomacy and will plumb deep human questions. Already some difficult questions are coming up in the development assistance relationships. The one closet to the headlines during these last few months is the question of whether or not the donor nations should continue to let their assistance, which is already committed, flow to Pakistan and even enter into new commitments, or whether they should seek to use this aid relationship as leverage in an attempt to hasten a political settlement in the eastern part of that stricken country. In a recent book, "Aid as Imperialism", Miss Teresa Hayter castigates the World Bank for allegedly using its assistance funds in Latin America as a lever to impose certain policies on some countries. She wrote her book before the events in Pakistan. The question is a very real one: should assistance ever be used as leverage in any circumstances? As Pakistan has shown, a decision to continue assistance once a commitment is made and not use the lever which the relationship undoubtedly does provide is nevertheless a decision inspired by political considerations -- in this case, a decision to support (with reservations) the status quo.

In such circumstances, development assistance is bound up with much broader policies, and cannot be separated from them.

The new professionalism

Several times in this paper I have referred to CIDA's target of greater professionalism. But our target is not simply a greater degree of professionalism in a traditional sense: we are not concerned to recruit and train men and women to do with ever greater efficiency certain jobs in the way they have always been done in government service. The burden of this paper has been an attempt to show that the requirements

for the ideal CIDA officer are a novel, maybe unique, combination of qualifications. Just as the task facing CIDA as an organization is a complex one, so the job facing an individual CIDA officer is equally complicated and exacting.

To elaborate for a minute on this point:

If we accept that a new set of relationships is being forged between nations as a result of the flow of development assistance, then it follows that the requirements for those who help manage these relationships are also changing, or need to change. It is no longer the traditional diplomat, or even the more recent model of a political scientist or economist, who dominates the international scene. It is a quite different sort of professional. To speak only of CIDA's requirements (although these may be repeated in other countries, and to some degree in other Canadian departments), the new professional role encompasses specialists and generalists -- but a good deal more in addition. In CIDA's case, we need specialists in such fields as education, agriculture, forestry and so on; we need generalists who may be economists or experienced administrators. But, in addition, these people must be:

- * evaluators both of the needs of the less favored countries, and of Canadian capabilities to supply those needs.

- * brokers, who can neatly match those capabilities against those needs.

- * managers, who can supervise the different stages of implementation through which each project has to pass.

- * cooperators, who know how to work in a spirit of true partnership with people of the less favored countries.

- * persuaders, who can by knowledge and argument influence decisions being made in multilateral organizations.

in effect,

- * the new internationalists, leaders in shaping up a new society.

The real challenge which CIDA faces is to find such people, or to develop and train such people, and to organize them so that they can work in an effective manner within the larger framework which still contains the traditional forms of restrictions of the public service. While rising to that challenge, CIDA may often come in conflict with the bureaucratic customs and practices which were designed to fit more

traditional forms of activity. The future has its difficulties -- I do not think I have put a gloss over them; but it also has its great excitements, and if we can meet this challenge and begin producing in considerable numbers this new type of professional we can hope to do an effective job in serving both Canada and the less favored countries of the world.

ERRATA

Page 9 First sentence should read:

Unlike any other department, it does not start from the springboard of representing Canadian interests abroad, so much as from the other end of representing certain interests abroad -- that is, the interests of the world's poorest people -- back to Canada.

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CANADIAN ASSISTANCE TO PAKISTAN REFUGEES

Statement by Mr. Paul G rin-Lajoie, President, Canadian International Development Agency

to the

Third Committee, United Nations General Assembly, Concerned with Human Rights

November 18, 1971

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Canadian Assistance to Pakistan Refugees
Statement by Mr. Paul Gérin-Lajoie,
President, Canadian International Development Agency
to the

Third Committee, United Nations General Assembly, Concerned with Human Rights
November 18, 1971

Madame le president:

I listened with great interest to the report of the United Nations High Commissioner for Refugees, Prince Sadrudin Aga Khan on the activities of the co-ordination centre. I would like to warmly congratulate him both for the difficult and important work accomplished and for the detailed report he gave us. I am looking forward to hearing the report that will be given later by Mr. Paul-Marc Henry on the activities of the East Pakistan Relief Operation (UNEPRO). The refugee problem in India and the misfortunes of the people within East Pakistan are quite different and distinct problems. However both involve enormous human suffering. Regardless of basic causes or eventual solutions, both call for massive humanitarian efforts. It is this humanitarian aspect of the situation which was the basis of the report by the High Commissioner and the subject of Canada's intervention today will be strictly on this aspect.

In the last month I have had the opportunity to see for myself the conditions of the refugees in the sub-continent, and to see also the heroic efforts of focal point and UNEPRO personnel. In my capacity as President of CIDA, I led a Canadian fact-finding team to both India and Pakistan to make recommendations about how further assistance from Canada may be effectively directed. Impressions from such a visit to the refugee camps of West Bengal and to the areas of East Pakistan that have been disrupted by civil disturbances are deep and sombre.

In East Pakistan, the social dislocations of recent months have made even more tragic the plight of a population not yet recovered from last year's natural disaster. In the circumstances, Canada has not hesitated to support the United Nations in its humanitarian effort to ensure that adequate arrangements are made for the distribution and provision of priority relief materials to the civilian population. We have not been unmindful of the threat of serious food shortages in the region. We have made available a cash contribution of \$500,000 to the United Nations for costs incurred in establishing an effective relief operation and have contributed \$7 million in food aid through the World Food Program to help meet the shortfall in food grains. We appreciate the difficulties involved in establishing an effective distribution system and trust that with the cooperation of the government of Pakistan, UNEPRO and donors it will be possible to ensure that relief needs are met.

The reports which have been received of interference with relief supplies within East Pakistan in the port areas and their approaches are disturbing. Such activity can lead only to greater suffering for the people of East Pakistan. It is Canada's hope that UNEPRO's activities will be fully accepted by the population of East Pakistan in the same humanitarian spirit which has motivated the Secretary General and those countries who have responded to his call. In this hope, Canada will give UNEPRO its continued support and assistance.

Madam Chairman, I shall now turn to India and deal with the enormous humanitarian problem which has been brought about by one of the largest, if not the largest, dislocations of mankind in modern history. The massive influx of millions of refugees from East Pakistan within the short period of seven months has greatly increased tensions on the sub-continent. The plight of the refugees themselves, many of them women and small children, has raised the spectre of unprecedented human suffering.

I was impressed by the magnificent response of the government and the people of India to this challenge. Indeed, the brunt of the burden in maintaining the refugees has fallen on them. Yet, as the number of refugees continues to grow, it is evident that even India's Herculean efforts to provide food, shelter and medical care must be supplemented. The care of refugees has placed a serious burden on that country's limited resources and has threatened to undermine India's plans for its own social and economic development. The Government of India has already asked for international assistance to maintain the refugees until such time as they can return to their homes.

Clearly, the voluntary return of the refugees is the ultimate solution to be reached. I should observe, in this connection, that the Canadian Government attaches considerable importance to the activities of the UNHCR in facilitating the reintegration and rehabilitation of refugees once they have returned to East Pakistan. We also look forward to the day when the Government of India will be prepared to agree to the presence of High Commissioner for Refugee representatives in refugee camps and border crossing points, in accordance with the Secretary General's proposal of July 19, so as to facilitate the process of voluntary repatriation of refugees.

For the present, however, the international community has a responsibility for assisting with the current problems of the refugees. The United Nations, for its part, has already taken action. Through its focal point in Delhi, the UNHCR and other specialized agencies of the UN family have, in concert with the Government of India and various international humanitarian organizations, performed superbly in their efforts to alleviate human suffering. Other members of the international community have provided help of approximately \$240 million for refugee relief. Approximately \$125 million of this amount has been pledged directly through the UN system. While the amount is substantial, it is more and more obviously inadequate to support the massive relief program that is required.

The urgency and the significance of the awesome refugee problem are magnified by the present tensions in the sub-continent. Over \$23.5 billion in development assistance has been committed by the international community to India and Pakistan during the last twenty-four years for the purpose of supporting their plans for improving the economic and social life of their peoples. Much of that achievement is in jeopardy already because of the situation in East Pakistan and along its borders. War would cause untold physical destruction and severe dislocations of the economies of those countries. Massive amounts of assistance would be required to rebuild ravaged or destroyed developmental achievements, to pursue new projects, and above all, to meet the immediate needs of those caught in the cross-fire. It cannot be assumed that this assistance could be made available.

The size of the problem, its nature, its urgency, and the consequences of failing to meet it, are clear. What now must be made clear is the size, the nature and the timing of the international response.

On October 13, the UNHCR, Prince Sadrudin Aga Khan, renewed a world appeal for assistance to the refugees from East Pakistan who are currently in India. The gist of his appeal, which was also presented personally to the Canadian Government during his recent useful visit to Ottawa, was that the funds which have already been pledged are fully committed and that further assistance could not be provided without additional support from the international community.

To date, the Canadian contribution from governmental and non-governmental sources through all channels for the refugees in India amounts to \$6.6 million. Of this sum \$4.3 million has been provided by the federal government, \$370,000 by the provinces, and \$1.9 million by voluntary agencies.

In the light of my report on our fact-finding visit, and in response to the appeal of the UNHCR, and the Canadian Government has decided that substantial additional assistance must be made available. Yesterday the Secretary of State for External Affairs announced the intention of the government to seek the authority and funds from Parliament to bring the Canadian Government's contribution for the relief of refugees in India to \$22 million. This will represent approximately one dollar per head of the Canadian population.

Canada has considered carefully the manner in which the additional funds should be allocated. A portion will be devoted to direct humanitarian relief channelled through the focal point. Part will be donated to Canadian voluntary agencies engaged in the relief operation. Part will be provided in the form of goods and services directly to the Government of India. In making these decisions, Canada will be guided by the needs and priorities as established by India itself, by the focal point, and by the Canadian fact-finding team.

Another effective form of assistance, in our view, would be some kind of debt relief. The Aid to India Consortium Members discussed this matter in Paris on October 26. An easing of the current load of debt would make a particularly valuable contribution to offsetting the heavy burden placed on India's development program by the diversion of development resources to refugee needs. Concerted action by donors is, in our view, essential if this form of assistance is to be fully effective.

Canada is prepared to participate with other donors in an early meeting to discuss levels and forms of assistance with particular reference to debt relief.

To conclude, Madam Chairman, Canada continues to ask that humanitarian efforts be accompanied both by restraint on the part of all concerned and by effective international efforts to reduce tensions in the area.

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Notes for an address by
Michel Dupuy
President of the
Canadian International Development Agency, to the
Empire Club of Toronto
Thursday, November 3, 1977

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Introductory Remarks

Perhaps I am tempting fate by speaking about foreign aid at a time when unemployment is reaching all across the country, when several Canadian industries, such as textiles, footwear and electronics, are having serious problems because of drastic import competition, and when many communities are afraid to have their economic props knocked out from under them.

With our current economic conditions the two most frequent questions Canadians are raising about development assistance are:

- - Why are we in the aid business? and
- - Are we doing it well?

Indeed, ever since I became President of CIDA earlier this year, I have been much concerned with these two questions and the significance of our aid program for our national interests and the Canadian economy. So much so, that I have chosen them as the subject of this address, even to the detriment of other North/South issues which well deserve attention. But the field has become too vast and complex to be covered in the time available today. Let me simply say that I regret it because many North/South issues are much in need of clarification and understanding.

Why do we have a large program of assistance to international development? We all know that poor countries need it. The point I want to make is that we too need it.

A common perception of foreign aid in general, and of CIDA in particular, is that we are handing out our tax dollars to assist the poorer countries of the world, and that we are doing this out of altruism, human solidarity and a moral imperative.

Far from being apologetic, we, as Canadians, should be proud of it: these are good reasons. Do we want to live in a world of starvation, violence, poverty and destruction? No, because this is not what Canada is made for. We know that in what is fast becoming a dramatically interdependent world, we cannot let more than half of this world go from bad to worse without taking an extremely short-sighted and wasteful view of our own future.

Thousands of Canadians who have served abroad have brought to their work a devotion, an understanding and a sense of duty to mankind which is all too rare in international relations. It is said by some that we are wasting our money on aid, but I am glad that no one has ever suggested that these devoted people are wasting their lives. The developing countries themselves are not mistaken. They have recognized and praised the disinterested character of Canadian aid. We owe this recognition to those Canadians who have made it work; CIDA people who, over the years, have done their best, often in trying circumstances; consultants, teachers, engineers, executives, representatives of provincial governments and, not least, non-governmental organizations; who are constantly pioneering new ways of relieving human suffering and of creating prospects for progress.

I have met many of these people, either in the field or on their return. They had their rewards and disappointments, but they felt that the experience had enriched their lives and improved their ability to contribute to our national life. I have said before, and I am pleased to repeat, that we intend to give NGOs increased support.

But there is more to foreign aid than a moral imperative and an enlightened view of human solidarity. The funds expended under that heading reflect our immediate concern about the North/South division of our planet, the current state of the world economy and the political tensions they are creating. Foreign aid, or its up-dated version, international development cooperation, serves other legitimate Canadian interests.

Many have described, far more vividly than I could, the risks and dangers inherent to an ever increasing economic and social gap between rich and poor nations. We do not need the hindsight of historians to appreciate that it is one of the most compelling and dramatic problems of our times. Surely one of the lessons of the recent energy crisis, and of world recession, is that no country is immune from major changes, let alone upheaval, in the world economy. It has long been recognized that the well-being of developing countries is related to that of industrialized countries, but only more recently that the reverse is no less true. It is unfortunate that this basic interdependence between developing and industrialized countries should often be obscured by the tensions or rhetoric of the North/South debate; because it is on compatible long-term interests and a growing sense of solidarity that the best chances of progress rest.

Canada, less than any other industrialized country, can remain indifferent. We have a vulnerable economy, and we are both an industrialized and a developing country. Our best future lies with a balanced and growing world economy in which developing countries have their rightful place. Surely, to contribute to it is in our own long term interest. I shall not attempt to evaluate at this point to what extent this contribution should be in fields other than aid - - such as trade in commodities, structural reform, access to markets, debt relief and other elements of the New International Economic Order (NIEO). This in itself could be the theme of another address. But clearly the magnitude and spread of the problem call for an integrated approach, including a vigorous aid program.

Even though developing countries are increasingly looking to automatic forms of resource transfers based on structural changes in the world economy, their need for aid is not abating. Indeed, the needs of many have never been so great or so urgent. With rising energy costs, deterioration in terms of trade and mounting indebtedness, their balances of payments have become precarious. Failing an increased flow of ODA, they will have reached the limit of their ability to borrow - - some are already there - - their policy choices will be a curtailment of their development plans, protectionist action to safeguard their balance of payments, or default. Will any of these courses contribute to the expansion of the world economy which we so badly need? Yet this may be the alternative to responsible aid and international development policies by major donor countries.

Our aid programs are also at the inception of our bilateral relations with most developing countries. If we want to build lasting and mutually beneficial relations, we must help their social and economic development with a keen understanding of their problems. Many industrialized countries who are our main competitors already have well-established relationships with a number of developing countries based on their colonial past, or on geopolitical and historical factors. These industrialized countries realize full well the increasing importance of developing countries in shaping the world economy. And so should we. Many of these developing countries may prove to be our indispensable partners of tomorrow.

Let me finally deal with the argument that "charity begins at home". Yet, it does. This is why sixty per cent (60%) of our total aid budget is spent in Canada for goods and services provided to developing countries. The sum is close to \$650 million annually. It is estimated that over 100,000 jobs can be related to our foreign aid program.

The bilateral aid programs provide foreign markets for key Canadian industries and may sometimes represent a major source of contracts. For example, projected CIDA spending for this year in the field of energy is about \$56 million. Expenditures on transportation are even greater, particularly in the purchase of rails, rolling-stock and locomotives, which should reach over \$70 million this year. We have spent about \$100 million on telecommunications over the past five years.

Loans and lines of credit to developing countries, which are in excess of \$70 million for this year, provide that goods and services will be purchased in Canada. The favourable rates of the loan allow Canadian suppliers a competitive edge, and the business resulting represents additional revenue for Canadian manufacturers. This revenue, in turn, maintains employment, supports production levels and helps industrial expansion here.

By establishing Canadian technology and expertise in the developing countries on whatever terms we grant them, we are laying the groundwork for repeat business and for an expansion of Canadian trade in the future. At the same time, it becomes possible for Canadian investors to gain preferred terms for investment in many developing countries.

These are legitimate features of our aid programs. Developing countries need our skills, our equipment, our food, our commodities, perhaps even more than our money.

They well understand our desire to establish long-term viable economic relationships with them based on their capacity to grow, because they want to establish the same kind of relationship with us.

The Canadian Government has established a direct link between the rate of growth of Canadian ODA and the real growth of GNP. Thus, in a real sense, what the Canadian aid program contributes to the expansion of our economy will help increase our foreign aid.

One hears a good deal about the dwindling support in Canada for development assistance. This is a matter for concern, if it is right that foreign aid contributes to a better world environment and the development of mutually beneficial relations between Canada and developing countries.

I am happy that the majority of Canadians still make a positive judgment. The latest public opinion poll carried out by CROP of Montreal concludes that fifty-four per cent (54%) of Canadians are interested in the developing world; and more remarkably, 54% of Canadians, the same percentage, have contributed money to agencies working for development in those countries.

However, there is no room for complacency. It is not enough to have sound reasons for giving aid. It must be well managed. Indeed, much of the current questioning of our aid programs is addressed less to its intrinsic validity than to its management.

"Are we doing it well?" is a far more complex and difficult question. Here we have to measure against agreed objectives and criteria each and all of the main elements of an aid program. The volume and growth rate of ODA; the relationship of aid to other resource transfers; its quality measured in terms of liquidity, procurement, grant/loan ratio and loan terms; the relative importance of various aid channels -- bilateral, multilateral, food aid, special programs; geographic distribution, sectoral distribution and target groups. The examination has to be in terms of both effectiveness and efficiency. International development is no longer a simple business.

Economically developing countries are not a cohesive unit, although their political solidarity is beyond question. One cannot rate Saudi Arabia with Tchad or Nepal. If we are to be responsive to the needs of the countries we want to help, we must accept that these needs are diverse and relate to different levels of development, and that our aid programs will reflect this complexity. It must also be recognized that the border-lines between survival, absolute poverty, under-development and economic take-off do not necessarily coincide with national borders, which further add to the complexity.

In our evaluation we must also bear in mind that transfer of wealth cannot be separated from creation of wealth; a valid method of transfer may have to be rejected if it reduces the global capacity to generate wealth.

I do not make these points in any apologetic way, but to illustrate why the evaluation of our aid programs has become such an increasingly difficult business and why we are often prone to make emotive, rather than considered, judgments about aid.

Understandably, we do turn emotive each time we hear of another so-called "horror story". You may recall the "ship which would not float", a fisheries school vessel destined for Colombia. As it turned out, the ship was sound; it was the test that was faulty. What about the rotten potatoes for Haiti? The ship was caught in storms, the hatches leaked, and the potatoes were indeed very rotten. Yes, it is true that some cattle died on an air shipment to India. But Idi Amin never had, as alleged, a huge barbecue party of Canadian beef at the expense of the Canadian tax-payer.

In this business we have to contend with storms, collisions, strikes, illness, delays, acts of God and human error. I have no secret formula for unfailing success; but I do welcome a critical interest in our activities because it helps us to learn and improve. I will, for my part, do all I can to share our experience, knowledge and quandaries with all **those** interested in development, so that Canadians may become better informed in their understanding and judgments.

Much has been done in CIDA over the past six months to improve our ability to manage the Canadian aid program and relate it more closely to the Canadian economy.

The Canadian Government's decision of May last to stop the decline in the percentage of ODA to GNP, thus determining the minimum rate of growth in our budget, has improved our ability to plan the management of our cash flow over the next few years. We have completely rebuilt our financial base with the help of Treasury Board and in keeping with the recommendations of the Auditor General.

We have completed a Corporate Review and will shortly implement some organizational changes which will help tighten the management of programs and projects. This has been a far-reaching exercise, which enabled us to identify CIDA's weaknesses and interface problems and to take remedial action. We are introducing advanced systems of financial reporting and information retrieval. We are developing new and comprehensive evaluation and audit systems.

We have revived the Canadian International Development Board, which is the main body for inter-departmental consultations at Deputy Minister level on aid programs. We have launched a review of our multilateral aid to evaluate our contributions to international development bodies in terms of Canadian interest. We are at an advanced stage of drafting a new food aid policy for presentation to Ministers. We are also revisiting the Strategy for International Development adopted in 1975 for the second half of this decade, to determine the extent of its continuing validity for the 1980s.

We are making good progress on the development of new forms of cooperation, including industrial cooperation which we hope shortly to bring past the experimental stage. We shall look closely at what other countries are doing to facilitate the adaptation of their own economy to meet the challenge of cooperation with developing countries.

In these tasks we are pursuing several major objectives:

1. We want better to relate developing countries' needs to Canadian capability. It is a paradox of our times to have idle capacity in

industrial countries when there are such pressing needs in developing countries. The nature of our programs should reflect what we can do best. There is already an increasing concentration in our bilateral program on sectors of high Canadian competence, such as agriculture, forestry, water resources development, transport, communication, energy, resources surveys, technical training, and so on.

2. We want to improve our effectiveness and efficiency. This means a sharper definition of our objectives, better evaluation and tighter management. It also means a greater presence on the ground -- such complex programs cannot be run by remote control; greater understanding of the development needs of the countries we help; and a determination to resist dispersal of our efforts.
3. We want to provide greater opportunity for Canadian private initiative to relate to the development of developing countries. CIDA has pioneered cooperation with NGOs. Provincial governments have been associated with VADA, a voluntary program for food aid and agricultural development. Canadian universities are showing much interest in participating in research for development. Our industrial cooperation program will be designed to provide more support to business initiative. We intend to contract out to the maximum extent, compatible with a tight control over the expenditure of public funds. The strength of our program will not be measured by the size of a bureaucracy, but by the amount of support it receives from all sectors of Canadian life.

I realize I have not yet answered the question: "Are we doing it well?" I have instead talked about how we intend to do better because it is my prime concern. But I have, of course, my own evaluations for my own purposes. In brief, I believe that our programs, even with the soft spots which our Corporate Review revealed, well deserve, as a whole, the fine reputation they have in the world. And I also believe that CIDA can be made into an increasingly valuable instrument of national interest and foreign economic policy.

In conclusion, I would not like to leave you under the impression that the assistance we provide to the Third World is, in the future, to be inspired solely by commercial and selfish considerations. If I have insisted at length on the returns from foreign aid, it is because so little is known about that aspect of our activities that I felt something should be said to set the record straight.

It is my conviction that there exists no fundamental contradiction between the economic interests we serve at home or abroad and our idealism. It is in this light that about one-third of CIDA's expenditures are aimed at providing basic human needs in the poorest parts of the world. This is a kind of obligation that Canada should not refuse -- and that Canadians do not want us to ignore. The ability of non-governmental organizations in this country to raise on their own almost \$50 million annually for assistance abroad conveys a very strong political message. And it is being heard.

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du Canada

"The Future Role of DAC"

Address by Mr. Paul Gérin-Lajoie, President,
Canadian International Development Agency,
to the Committee on Aid and Development, OECD,
Paris, October 16, 1972



Canadian International
Development Agency

Agence canadienne de
développement international



I am pleased to meet once again at this High Level Meeting with others engaged in the task of promoting international co-operation for development. I am very much looking forward to participating in the exchange of ideas on the agenda items both in the informal and formal meetings. I would like to make a few opening remarks relating to the future role of DAC. I appreciate that we will have an opportunity of considering specific aspects of this subject later in our agenda. Nevertheless, I would like to put forward certain ideas at this stage of our deliberations so that there may be an opportunity for further thought and reflection before we consider the matter again specifically later on our agenda.

During the twelve years since the establishment of the DAC, the striking changes in the world have had a profound impact on the philosophy and forms of development co-operation. There have emerged extraordinarily complex relationships between the rich and poor countries and between them and the mushrooming number of multilateral and other institutions involved in international development. It may be tempting at times to think that we can arrive at tidy solutions to the problems posed by these complex relationships. We should of course continue to strive for more streamlined and harmonized relationships in our joint efforts at development co-operation. We should not, however, expect that all institutions or countries should move in step; this would be neither desirable nor feasible. Rather we should recognize the important role played by entrepreneurial initiatives taken by institutions, individuals and countries at particular moments of time which may depart from past practices or traditional patterns. It is vitally important to identify areas where such initiatives can result in new breakthroughs and to support them to the maximum extent possible.

Among the myriad of international institutions concerned with development co-operation the DAC has certain unique characteristics which enable it to make an especially effective contribution to the search for new ideas and approaches to development co-operation. Our membership is relatively small and our sharing of certain common objectives makes it

possible for us to have a more intimate and frank dialogue than is often possible in larger and more unwieldy institutions. It is essential that we make the most of these advantages to ensure that the DAC remains a vital and flexible institution responsive to changing needs and situations.

There have indeed been important changes within the DAC itself. In its earlier days there was one major donor, a few fairly large donors and the rest were small donors. More recently, however, this lopsided situation has significantly altered. With changes in the relative contributions and involvement of donors, we are now much closer to a more balanced pluralistic relationship. As a result, the responsibility for producing new ideas and suggestions and for making entrepreneurial advances is and should be more evenly distributed among us.

These thoughts lead me to suggest that the DAC should concentrate on the identification of areas where initiatives and advances are possible as well as identifying the donor or the institution, bilateral, multilateral, or private, which is ready to play a leadership role. In our new pluralistic world some donors at particular moments of time may be able to take initiatives in one or other particular area. At other times and in other areas the leadership will shift to others.

I might mention in this connection that I am concerned to discover imaginative ways of adapting and reorienting our own thinking about development assistance programs in Canada to achieve greater effectiveness. With this in mind, I am hosting an international consultation which will take place later this month in informal closed session to consider the future role of Canada in international development. In attendance there will be some twenty individuals from developing countries, together with colleagues from some of the national and international agencies as well as a number of concerned and influential Canadians. I would hope that some of the results of this endeavour would be of interest to the members of the DAC.

The entrepreneurial or innovative approach which I advocate would have some important implications for both the subject areas we consider in DAC as well as the particular approach to the examination of those subjects. For example, I think it would not be productive to devote substantially more time to further refinement of volume targets. Rather, greater efforts should be directed to meeting or maintaining programme levels implicit in the present

targets. At the same time considerably more attention should be paid to the quality of our development assistance. I use the term quality in a broad sense to include not only concessionality of terms, but also the development impact of programmes and the competitiveness in terms of price and quality of the goods and services we provide. In the past, I think we have too often fragmented our discussion on the question of quality. We should follow the constructive and positive lead of our distinguished Chairman as outlined in the first chapter of his Report on 1971 to take an in-depth look at the qualitative impact of donors' efforts on some of the more intractable problems facing the poor countries.

I would also suggest that future quantitative refinements in the over-all terms recommendation are likely to yield diminishing returns. This is not to say that the terms recommendation is unimportant. In the past, it has served as an incentive to the softening of terms, but the aggregate hardness of official development assistance is no longer the major problem. We should turn our attention to the harmonization of terms appropriate to the economic conditions of particular countries or groups of countries and to the development impact of ODA (official aid) as well as other flows. This approach would have an important bearing on the study of indebtedness on which further analysis is envisaged in the DAC work programme for 1973. We should recognize the need for a more balanced assessment of the various factors in different countries giving rise to indebtedness problems and the ways in which such problems might be avoided in future. We should examine more carefully the benefits of borrowing, whether this be under official aid programmes or export credits or whatever, and not just the cost of borrowing. For example, there undoubtedly have been cases in which harder term export credits have been worth the cost because of the benefits they have conveyed in terms of an increased capacity to earn foreign exchange. Such an assessment of indebtedness should have important implications for the ways in which we approach debt renegotiations where in particular cases we might take into account factors other than the financial terms of lending.

In the spirit of initiative-taking or entrepreneurship we should also approach the examination of such subjects as unemployment in a new way. I think we should try to develop specific programmes of practical action to achieve better results in the future. For example, we in CIDA are now giving some thought to a co-operative arrangement with the World Bank whereby we might support some parts of their programme of research in highway design standards, which is itself complementary to the study of labour-intensive technologies. Our objective would be to identify practical ways in which we might introduce into our programme and projects new standards and approaches yielding a greater impact on the unemployment problem.

It seems to me that one of the areas which calls for attention is the more effective translation of new ideas and policies into workable programmes of action. In fact, the United States delegation has on previous occasions suggested that we devote time and attention to this important area.

One particular approach would be to make fuller use of our annual examinations. These examinations have rightly been at the core of DAC's activities and should remain so. But have we made the most of them? Could we, for example, identify in a more systematic way each year in advance of the reviews one or two basic themes to be developed in countries' memoranda and the examinations themselves? This might serve as a useful basis for the comparison of donors' policies, practices and experience in particular areas. One possible theme would be the guidelines applied to the use of local cost financing.

Also during the annual examinations and the "Review of Reviews" there is an opportunity of identifying particular areas or problems which deserve further in-depth examination. Such consideration of specific questions could take place subsequently during the course of the year.

Let me give you a few examples of the kind of topic I have in mind. In CIDA we are grappling with the problems associated with these topics and we would find immensely valuable the views and experience of others. I have in mind the sharing of experience on such topics as:

- terms and conditions for the extension of lines
of credit

- financial, administrative and legislative arrangements for the longer term planning of development assistance programmes
- guidelines for establishing an appropriate balance of authority between Headquarters and the field
- arrangements for the improvement of the recruitment and briefing of experts
- the role of technical assistance in the promotion of exports from the developing countries.

An approach along the foregoing lines might well have important implications for our 'modus operandi' in DAC. I would certainly not suggest that we schedule more formal meetings to consider broad topics from a general point of view. Perhaps we should have fewer meetings for which there would be more time for better preparation. Greater emphasis might be placed on 'ad hoc' meetings of experts in workshops to deal with particular subjects with a corresponding reduction in the time scheduled for meetings of the formal working parties. This could introduce a greater element of flexibility in the scheduling of the DAC work programme and provide an opportunity for delegations to pursue in depth particular matters of interest to them. In such informal workshops it might well be found useful to invite selected individuals from the developing world, who on the basis of their personal expertise could make a significant contribution to the discussions. For example, the views of such individuals on various aspects of technical assistance could be invaluable.

Finally, I would like to refer to one area in which Canada believes that an entrepreneurial advance is possible: special programmes designed to help the least developed countries. I have followed with great interest the discussions in the OECD and the UNCTAD which have set out general principles and ideas to provide a framework for action. May I express, Mr. Chairman, on behalf of the Canadian Delegation our gratitude to you personally for the very significant contribution you have made to these discussions.

In recent years Canada has been increasing the level of its commitments to the least developed countries as identified by the United Nations. So far, however, our programmes to the least developed have not been carried out within the framework of a specific policy. I have therefore recently

established within CIDA a task force to consider and make recommendations on what Canada might do to enhance its efforts to help the least developed countries. The task force will consider not just the level of assistance but also the appropriate terms and conditions of assistance and the ways in which programmes can be designed and oriented to meet the particular needs of these countries. It would be our hope that the work of the task force would also shed light on ways in which development assistance programmes could be tailored more effectively for the least privileged groups and areas within developing countries. May I say that I do not underestimate the difficulties involved or the skills and long-term effort required to achieve results.

I appreciate that a number of other bilateral donors and international organizations, including the DAC, are pursuing actively the development of ideas and proposals for more effective assistance to the least developed countries. We look forward to exchanging our own views as they evolve during the coming months with other national and international donors and particularly with some of the least developed countries themselves. We would thus hope to participate in a more concerted international effort.

In conclusion, let me reaffirm the conviction of the Canadian Delegation that the DAC has played and can continue to play a valuable role in discussions of development programmes. I believe that the success of our future efforts will depend in large measure on our skill in identifying and our will in supporting those entrepreneurial innovations most likely to produce substantial progress in development co-operation.

CIDA

ACDI

The Cooperative Movement and Development Cooperation

Notes for an address by
Michel Dupuy
President of the
Canadian International Development Agency, to the
meeting of the Conseil de la Coopération du Québec
Montreal - November 21, 1977

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développement international

Assistance to countries in need of help, organized under the guidance of the United Nations, has become the most salient feature of international politics after the Second World War. Its introduction into international relations constitutes a revolutionary change, a breach with the past. It indicates that rich and powerful countries have abandoned the policy of colonial domination and economic exploitation of under developed areas. They have embarked instead on a policy of assistance - both technical and financial - to countries where productivity is low, poverty and malnutrition widespread, diseases endemic and hunger a constant threat.

The change did not come about out of humanitarian reasons, or out of brotherly love alone. It grew above all from a healthy self-interest, as well as from the introduction of the cooperative principle of mutual aid into international relations. It was due also to the realization that between nations, big and small, rich and poor, just as between individuals, there are more sources of common interest than sources of disagreement; they look forward to a brighter future by helping each other rather than by dominating and exploiting each other.

The advanced and industrialized countries have come to the conclusion that they cannot look forward to better prospects and a happy life if the rest of the world is faced with misery and despair and the constant threat of social unrest and political upheavals. And it is interesting to note that the policy of assistance works in two directions: it serves both recipient and donor countries. It helps receiving countries in their economic progress. It helps them to become self-sufficient, to play an increased role within the world economic community and gain self-confidence and a sense of independence. At the same time, this policy helps the donor countries. It helps them to create new outlets for their surpluses, new markets for their production, new

possibilities for work and employment for their people and new sources of supply of raw material for their industries. It helps them to create new sources of income for themselves - public and private.

Considered in the light of these realities, the policy of assistance to emerging countries has a profound political and philosophical significance. It suggests that people and nations can help themselves best by helping each other - not by fighting each other, not by abusing each other, not by taking advantage of each other's weaknesses to achieve domination. This is a resounding victory for the cooperative philosophy of mutuality and mutual aid as applied in international and intergovernmental relations.

What I have said so far about the close relationship between cooperative principles and development assistance, does not come from the meditations of the President of the Canadian International Development Agency. In actual fact, it is a long quote from a cooperator who is well-known in Canada, Professor George Davidovic, taken from his book, Towards a Cooperative World. In his analysis of Third-World development cooperation, Professor Davidovic sets forth very clearly the unity of purpose binding supporters of the cooperative system with those who are working to help the inhabitants of the poor countries become masters of their own destinies.

At least one in every three Canadians is a member of one or more cooperatives. In Quebec alone, four million people are members of over 2,500 cooperatives functioning in several sectors of the economy. You, better than anyone, know the story of Quebec's early role in pioneering the cooperative approach in a North American context. There have been significant accomplishments, too, in the rest of Canada where some 2,400 credit unions and hundreds of other cooperatives enrich the texture of peoples' lives - cooperatives ranging from the Saskatchewan Wheat Pool to the neighbourhood store where city people can

cooperate in getting together their weekly groceries, to the cooperatives through which our native people, Indian and Inuit, can get a fair return for their handiwork. Experience has taught many Canadians the benefits of the cooperative way of doing things - the democracy, the openness, the sharing and solidarity that are inherent in the cooperative approach to economic life. The movement has its Canadian heroes, such as Alphonse Desjardins and Moses Coady; it has created training centres of recognized excellence, such as l'Institut coopératif Desjardins in Lévis, the Coady International Institute in Antigonish, le Centre d'études en économie coopérative in Sherbrooke, and the Cooperative College of Canada in Saskatoon. Canada's reputation in this sector is well established, and our country's resources have been used and will continue to be used to expand the cooperative movement throughout the world.

In pointing out that the policy of Third-World development assistance works in two directions, Professor Davidovic has put his finger on the very essence of this form of assistance. Too many people still believe that assistance to a developing country should come only from the humanitarian principle of the rich giving to the poor. The world is changing so fast that only the most shortsighted individual would accept this motivation alone. The cooperative principles of sharing and exchange are the examples to be followed in the distribution of aid. We are by no means on a one-way street. How many Canadians know, for example, that we spend 60 per cent of our total aid budget in Canada to purchase goods and services essential to the developing countries? How many know that an estimated 100,000 jobs are created in Canada directly or indirectly by our aid program? Need I also add that this economic movement helps Canadian industry? Yet it is upon this discovery of mutual interests that true cooperation is based.

Let us now return to the participation of the cooperative movement as such and examine the effect of a few projects in this sector on the lives of citizens of the Third-World.

Let us take as our first example the integrated rural development project in Koupela, in the east central region of Upper Volta. This project, carried out with CIDA support by the Compagnie internationale de développement régional (CIDR), has directly affected the lives of more than 300,000 inhabitants. It has required \$2,000,000 in outside contributions and over \$600,000 in local funds.

Canadian non-governmental organizations are contributing \$350,000 to this project, while CIDA's outlay is \$1,650,000.

This integrated development project is based on the principle of gradually mobilizing the various segments of the rural population. The first step is to make the farmers aware of the purpose of the project, which is to determine what types of development are most likely to improve traditional growing methods while also allowing for the introduction of more advanced techniques. Its ultimate goal is to set in motion a process of self-development which, once started, will be reinforced by the acquisition of improved farming techniques and sustained by the local experts instructed and trained during the project. The objective in setting up intensive development teams by grouping farmers into pre-cooperative units is as much to improve stock breeding, raise the consciousness of women, and promote crafts as to commercialize the marketing of cash crops. The project will therefore lead to the establishment of marketing, purchasing and production cooperatives as well as savings and credit cooperatives to support the development of a population emerging from a subsistence economy.

This formula has one great advantage: it respects the traditional lifestyles of rural communities while inculcating a keener awareness of social

responsibilities, organizational structures, management techniques, saving habits and growing methods that facilitate gradual progress from a subsistence economy to a system of cash exchanges.

Seven foreign experts, including five Canadians, are working on this project. One hundred and fifteen Upper Volta residents form the local counterpart. The most important consideration, however, is that more than 300,000 farmers are benefitting from the project and progressing toward self-reliance.

Another project is significant because it proves that farmers can take the future into their own hands. It is the one which the Desjardins movement, in collaboration with the African Cooperative Savings and Credit Association (ACOSCA), is supporting in Bukavu, Zaire. The aim of the project is to organize savings and credit unions, in close conjunction with a regional training centre at the Graduate Institute of Social Studies of the National University of Zaire. This project, which called for a financial contribution of \$160,000 from the Desjardins movement along with a grant of \$130,000 from CIDA, directly benefits the inhabitants of sixteen villages in Zaire. There was a challenge involved in carrying out the project: that of showing the highest national authorities and the major financial institutions of Zaire that the savings and credit unions, managed according to cooperative principles, did not compete with the banks and reached a clientele completely neglected up to that point, which nevertheless had a resource base of seriously underestimated potential. In four years it was proved that the poorest rural Africans had sufficient self-management ability to take care of their own savings and credit activities. The farmers' savings already amount to \$1.5 million. The most encouraging part of this experiment is that, thanks to the cooperative spirit, 35 per cent of the farmers' savings have been channelled back into rural

activities.

Through the combined efforts of the Fédération de Québec des Caisses populaires Desjardins, the National Association of Canadian Credit Unions and CIDA, plus a sum of \$630,000 collectively provided from 1971 to 1976, ACOSCA has contributed \$1,432,700 which will be used to provide the services of six cooperative credit advisers for a period of three years, with a possible extension to five years, as well as to hire and train five African counterparts and eight managers in order to set up the credit unions. The five ACOSCA training centres located in Upper Volta, Cameroon, Zaire, Kenya and Lesotho will provide the education needed to establish the cooperative movement. Three advisers will be assigned to the training centre and three others will be sent to Upper Volta, Zaire and Cameroon to assist in establishing credit unions. One of the objectives of this vast project is to consolidate the efforts that have already been made to establish the cooperative movement in rural areas.

If we consider the three projects which I have just referred to, we can see right away that the "training" factor is the key to their success. In the Third World, and specifically the rural areas where about eighty per cent of its population lives, most people do not have the training necessary to understand the cooperative movement and its principles.

Before attempting to carry out any project, and keeping in mind the different cultures and environments to which this training must be adapted, we must give all those participating in the project at the grass-roots level the tools they need to manage this project themselves and ensure its continuation once the foreign experts have left. In many cases, the assistance will first entail the establishment of a pre-cooperative movement. It will involve the sensitization of future members to a social dimension of which they are very often only vaguely aware. In a study he prepared for the International

Cooperative Alliance, Professor Laidlaw wrote: "The development of sound and effective cooperative systems depends primarily on the development and training of people. Poor people especially cannot benefit from cooperatives unless they understand them and are capable of participating fully in them."

The Canadian International Development Agency has three channels through which it can carry out not only projects based on cooperative principles but all development projects which it administers. The three channels at its disposal are multilateral programs, bilateral programs, and the special programs involving what we call in our jargon "non-governmental organizations" or NGO's.

You probably all know how a project is carried out in the multilateral sector. After evaluating the requirements of international organizations, CIDA decides on an amount and provides them with direct grants. The individual international organization selects the projects in which it will participate with the help of the funds received from the various donor countries. The knowledge of the world community is thus put to good use in carrying out the project selected by the multilateral organization, be it a United Nations agency, a regional development bank or some other kind of institution.

This approach has numerous advantages. For instance, the large quantities of funds collected allow multilateral agencies to implement projects on a scale that would have been impossible for any single donor to achieve. But what is considered an advantage in the building of the Tarbela dam in Pakistan, for example, made possible by a consortium of donor countries - can become an obstacle to the successful implementation of cooperative projects. In fact, if we want Third World countries to make the best use of Canadian experience in this sector, we ourselves will have to ensure that the project, once adopted, is completed. The multilateral approach provides no assurance to a donor country that its own knowledge and its own experts will be used and

no guarantee regarding the choice of activity sectors.

The greatest portion of Canadian aid is distributed through bilateral programs. In this case, implementation of a project follows a request by the government of the recipient country and approval by the government of the donor country. The very principles of the cooperative system require that it be a voluntary activity developed from within the community, not imposed from outside. Jawahrlal Nehru, who brought independence to India and was its Prime Minister until his death, made some important statements on this subject. It is a known fact that this leader was a strong supporter of cooperative principles. Throughout his life, he made himself the defender of cooperative independence. For example, he once said that he had made a serious mistake in accepting certain decisions of the Rural Credit Survey Committee: "The more I have thought about it, the more I have realized that in some respects the approach of the Rural Credit Survey Committee was inconsistent and it almost succeeded in channelling the cooperative movement in this country in a wrong direction.

"There was a tendency on the part of the committee to distrust our people, to think that they were not competent enough to manage their own affairs; therefore government officials had to come and help. Government money was necessary to get them going. And when government money comes, government officials follow close behind... I should like to point out that this approach... carries the cooperative movement off in the wrong direction, which has nothing to do with cooperation and which goes against the very philosophy which gave life to this movement. If it is to be a State-sponsored movement, with government officials running it, it may do some good -- if the officials are competent -- but it does infinite harm to the people because they will then have few opportunities to learn about running projects for themselves, to develop a spirit of

self-confidence and independence and even to make mistakes if they want to make mistakes... I will repeat and will go on repeating that I oppose any intervention of government in cooperation, except as an agency whose role is limited to providing funds."

I do not mean to imply that bilateral aid is not an excellent means of providing assistance to Third World countries, I am merely expressing reservations concerning the use of this method to achieve cooperative principles. I ask only that we be aware of the problems that can arise when cooperative movements are controlled by the state.

We must be on the lookout for cooperative projects which can be carried out through bilateral assistance, but we should take this approach only when it can provide all possible guarantees of success.

The non-governmental approach therefore seems preferable because it enables those concerned to take charge of their own destinies. The three projects mentioned above were carried out in this way. However, the amount of money available to CIDA for providing assistance to non-governmental organizations has no comparison to the amount we distribute for bilateral assistance. As you are aware, projects supported by our Non-Governmental Organizations Division must be designed by non-governmental organizations. Our regulations allow us to support these projects through the matching formula, and in general we can provide funds covering up to fifty per cent of the total cost of the project.

Perhaps CIDA officials should re-examine this formula, at least as it applies to projects in the cooperative sector.

In this respect, the resolution passed by the Conseil de la Coopération du Québec (CCQ) is most appropriate. It indicates that a number of people in our country are willing to take up part of the great challenge of international

development cooperation. This becomes even more apparent considering that the activity sectors which you have names in this resolution - specifically agriculture and food, fisheries and rural settlements - are precisely the ones which we have selected as our priorities.

The CCQ, having expressed its desire to participate in the Canadian development assistance effort, must now convert this willingness into action in the form of specific projects. In order for CIDA to give you its fullest cooperation, you must submit your proposals to us and help us find the most effective means of implementing them. For example, I would welcome the establishment of a human resources bank in all cooperative sectors. In the Third World, it would certainly be possible to use the skills of a number of experts who are currently retired but still interested in continuing their work. We could go even further. Why couldn't there be a mechanism enabling Canadian cooperative bodies to assign, for a specified period, a number of their top experts to work in development assistance projects?

Another project could involve the setting up of a development fund. Such a fund would allow us, within the existing structure of our Non-Governmental Organizations Division, to contribute one dollar for each dollar from this fund used for a development project which meets CIDA's requirements. One could even consider the participation of provincial governments in raising these funds. Some provinces such as Alberta are already working on development projects in cooperation with non-governmental organizations. A tripartite effort would triple the potential benefits of a "cooperative development fund".

Cooperative bodies could make an enormous contribution by making Canadians aware of international cooperation. In this respect the Koupertiva Födr-Bundet, a Swedish equivalent of the Fédération des magasins coopératifs (federation of cooperative stores) has set up an excellent program along these

lines. Upon receipt of his dividend, each member of the cooperative may reinvest the money, deposit it in his account or give part or all of the amount to a development assistance organization such as the Swedish Cooperation Centre for International Development.

The advantage of this Swedish program is that it makes each member think about, and decide whether or not to contribute to an assistance program. Can the benefits which each member derives from the principles of the cooperative system be used to apply the same principles in the Third World?

While they are not new, approaches such as those which I have mentioned could have an enormous impact on the lives of millions of people in the Third World. Another advantage is that they would make people aware of development cooperation, even in our own country.

Canada, it is true, has not used a very large part of its international development funds to support projects of a cooperative nature. Bilateral (country-to-country) programs are the largest element within the overall CIDA program, and in the past five years cooperative projects received only 1/2 of one per cent of our bilateral funds. Multilateral programs accounted for about 40 per cent of CIDA's funds last year, but between 1971 and 1976 cooperative projects accounted for only 3 per cent of these dollars. It is from our non-governmental organizations program, which amounted to about \$38 million last year, that cooperative projects have drawn a significant share - about 15 per cent of the funding.

I don't think anyone feels that this record is good enough. The needs and the opportunities are vast; we have barely scratched the surface. I believe that the time is now ripe for a major advance in this area, for a number of reasons.

First, the cooperative movement is in many ways an ideal partner for international development agencies such as CIDA. It is an almost universal movement; it is the world's largest non-governmental socio-economic organization; and it is found under all but the most repressive regimes. And, particular interest to CIDA, cooperatives by their nature bring social as well as economic benefits. They can be a major force for education and can implement programs in places where government can operate only with difficulty, if at all. It has been amply proven that the cooperative approach can be applied successfully in many fields of human activity - especially in agriculture, but also in fisheries, in marketing, in mobilizing savings and providing access to credit, in health, housing, small industry and other areas.

We realize that there are limits and problems: that cooperative projects can fail just as badly as government projects, and that success, when it comes, can demand a lot of time - as long as it takes to educate a generation, perhaps. We know, too, that the attitude of Third World governments is all-important --- they can provide the necessary aid and resources to support the people's efforts, or on the other hand they can try to impose their will by putting government officials in charge of the cooperatives an attitude which usually produces disastrous results. One would hope that the resolution of this problem will be a healthy partnership between governments and people, with the former content to provide the means which only they possess, while the latter provide the capabilities and resources which flourish best in a voluntary non-governmental sector.

It is in this regard, I believe, that we find the most compelling argument of all in favour of the cooperative approach. It embodies the rare catalysing power of solidarity. It can draw individuals out of isolation,

weakness and despair, and join them into groups or organized movements which are heralds of change and agents of development.

All of this potential is waiting to be used at a time when international cooperation is concentrating on the very grass-roots development that your movement is so well suited to carry out. As in other fields, such as education and public administration and law, the theory of international development has gone through many modifications and reorientations. The stress on economic growth and raising the GNP which characterized the 1960s has yielded to a greater concern for social aspects of development, and particularly for ensuring that the benefits reach the poorest people and the poorest countries. The cooperative movement has a deep historical roots among the least-privileged classes in society, especially rural people, and this sector, where the cooperative approach really excels, is exactly the one on which CIDA and other development agencies are trying to focus right now.

From this viewpoint, the very positive resolution offered by the CCQ could not be more appropriate. A similar initiative has already been taken by the Cooperative Union of Canada. Canada's Strategy for International Development Cooperation stresses, for the second half of this decade, programs "aimed at improving the living and working conditions of the least privileged sections of the population in recipient countries" and at helping such people achieve self-reliance. International development experts and agencies have increasingly stressed the urgency of concentrating available resources on meeting basic human needs - the requirements for food, water, housing, health care and education of the most hard-pressed people in our world (although we must note the concern of Third World leaders that a basic human needs strategy does not become an excuse for evading the structural reforms needed to create a new international economic order). All these converging signs, then, point in the same direction - toward a major increase in the international role of the

cooperative movement, toward greater collaboration between the cooperative sector and CIDA.

CIDA is already part of an advisory group which brings together the CCQ and the Cooperative Union of Canada. Set up in June, the group, which has already met twice, has established a working unit which is to submit recommendations as of the beginning of December. Perhaps we will then discover the formula which will enable CIDA to give greater support to projects which Canadian cooperative bodies are ready to carry out in the Third World. Your resolution not only indicates your desire to participate in the international assistance movement but also forces CIDA to become at least as deeply involved as you yourselves decide to be.

As the new president of CIDA, I am aware that the principles of the cooperative movement have a great power to unite people and that you can reach countless numbers of people in a direct way. I must therefore assure you that I am constantly available and open to your suggestions.

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